

(3) **TECHNICAL AMENDMENT.**—The amendment made by subsection (c) shall take effect as if included in section 709 of the Tax Extenders and Alternative Minimum Tax Relief Act of 2008.

SEC. 692. LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) **IN GENERAL.**—Subclause (I) of section 165(h)(3)(B)(i) is amended by striking “January 1, 2010” and inserting “January 1, 2012”.

(b) **\$500 LIMITATION.**—Paragraph (1) of section 165(h) is amended by striking “December 31, 2009” and inserting “December 31, 2011”.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendment made by subsection (a) shall apply to federally declared disasters occurring after December 31, 2009.

(2) **\$500 LIMITATION.**—The amendment made by subsection (b) shall apply to taxable years beginning after December 31, 2009.

SEC. 693. SPECIAL DEPRECIATION ALLOWANCE FOR QUALIFIED DISASTER PROPERTY.

(a) **IN GENERAL.**—Subclause (I) of section 168(h)(2)(A)(ii) is amended by striking “January 1, 2010” and inserting “January 1, 2012”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to disasters occurring after December 31, 2009.

SEC. 694. NET OPERATING LOSSES ATTRIBUTABLE TO FEDERALLY DECLARED DISASTERS.

(a) **IN GENERAL.**—Subclause (I) of section 172(j)(1)(A)(i) is amended by striking “January 1, 2010” and inserting “January 1, 2012”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to losses attributable to disasters occurring after December 31, 2009.

SEC. 695. EXPENSING OF QUALIFIED DISASTER EXPENSES.

(a) **IN GENERAL.**—Subparagraph (A) of section 198A(b)(2) is amended by striking “January 1, 2010” and inserting “January 1, 2012”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to expenditures on account of disasters occurring after December 31, 2009.

PART II—REGIONAL PROVISIONS

Subpart A—New York Liberty Zone

SEC. 696. SPECIAL DEPRECIATION ALLOWANCE FOR NONRESIDENTIAL AND RESIDENTIAL REAL PROPERTY.

(a) **IN GENERAL.**—Subparagraph (A) of section 1400L(b)(2) is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to property placed in service after December 31, 2009.

SEC. 697. TAX-EXEMPT BOND FINANCING.

(a) **IN GENERAL.**—Subparagraph (D) of section 1400L(d)(2) is amended by striking “January 1, 2010” and inserting “January 1, 2012”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to bonds issued after December 31, 2009.

Subpart B—GO Zone

SEC. 698. INCREASE IN REHABILITATION CREDIT.

(a) **IN GENERAL.**—Subsection (h) of section 1400N is amended by striking “December 31, 2009” and inserting “December 31, 2010”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to amounts paid or incurred after December 31, 2009.

SEC. 699. WORK OPPORTUNITY TAX CREDIT WITH RESPECT TO CERTAIN INDIVIDUALS AFFECTED BY HURRICANE KATRINA FOR EMPLOYERS INSIDE DISASTER AREAS.

(a) **IN GENERAL.**—Paragraph (1) of section 201(b) of the Katrina Emergency Tax Relief Act of 2005 is amended by striking “4-year” and inserting “5-year”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to individuals hired after August 27, 2009.

SEC. 700. EXTENSION OF LOW-INCOME HOUSING CREDIT RULES FOR BUILDINGS IN GO ZONES.

Section 1400N(c)(5) is amended by striking “January 1, 2011” and inserting “January 1, 2013”.

TITLE VII—TECHNICAL CORRECTIONS TO PENSION FUNDING LEGISLATION

SEC. 701. DEFINITION OF ELIGIBLE PLAN YEAR.

(a) **AMENDMENT TO ERISA.**—Clause (v) of section 303(c)(2)(D) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(c)(2)(D)), as added by section 201(a)(1) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, is amended—

(1) by striking “on or after the date of the enactment of this subparagraph” and inserting “on or after June 25, 2010 (March 10, 2010, in the case of an eligible plan)”, and

(2) by adding at the end the following new sentence: “For purposes of the preceding sentence, a plan shall be treated as an eligible plan only if, as of the date of the election with respect to the plan under clause (i)—

“(A) the plan sponsor is not a debtor in a case under title 11, United States Code, or similar Federal or State law,

“(B) there are no unpaid minimum required contributions with respect to the plan for purposes of section 4971 of the Internal Revenue Code of 1986 (imposing an excise tax when minimum required contributions are not paid by the due date for the plan year),

“(C) there are no outstanding liens in favor of the plan under subsection (k), and

“(D) the plan sponsor has not initiated a distress termination of the plan under section 4041.”.

(b) **AMENDMENT TO INTERNAL REVENUE CODE OF 1986.**—Clause (v) of section 430(c)(2)(D) of the Internal Revenue Code of 1986, as added by section 201(b)(1) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, is amended—

(1) by striking “on or after the date of the enactment of this subparagraph” and inserting “on or after June 25, 2010 (March 10, 2010, in the case of an eligible plan)”, and

(2) by adding at the end the following new sentence: “For purposes of the preceding sentence, a plan shall be treated as an eligible plan only if, as of the date of the election with respect to the plan under clause (i)—

“(A) the plan sponsor is not a debtor in a case under title 11, United States Code, or similar Federal or State law,

“(B) there are no unpaid minimum required contributions with respect to the plan for purposes of section 4971 (imposing an excise tax when minimum required contributions are not paid by the due date for the plan year),

“(C) there are no outstanding liens in favor of the plan under subsection (k), and

“(D) the plan sponsor has not initiated a distress termination of the plan under section 4041 of the Employee Retirement Income Security Act of 1974.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect as if included in the amendments made by the provisions of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 to which the amendments relate.

SEC. 702. ELIGIBLE CHARITY PLANS.

(a) **DEFINITION OF ELIGIBLE CHARITY PLANS.**—

(1) **IN GENERAL.**—Section 104(d) of the Pension Protection Act of 2006, as added by section 202(b) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, is amended to read as follows:

“(d) **ELIGIBLE CHARITY PLAN DEFINED.**—For purposes of this section, a plan shall be treated as an eligible charity plan for a plan year if—

“(1) the plan is maintained by one or more employers employing employees who are accruing benefits based on service for the plan year,

“(2) such employees are employed in at least 20 States,

“(3) more than 98 percent of such employees are employed by an employer described in section 501(c)(3) of such Code and the primary exempt purpose of each such employer is to provide services with respect to children, and

“(4) the plan sponsor elects (at such time and in such form and manner as shall be prescribed by the Secretary of the Treasury) to be so treated.

Any election under this subsection may be revoked only with the consent of the Secretary of the Treasury.”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect as if included in the amendment made by the provision of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 to which the amendment relates (determined after application of the amendment made by subsection (c)), except that a plan sponsor may elect to apply such amendment to plan years beginning on or after January 1, 2011.

(b) **REGULATIONS.**—The Secretary of the Treasury may prescribe such regulations as may be necessary to carry out the purposes of the amendments made by section 202(b) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 and the amendment made by subsection (a).

(c) **APPLICATION OF NEW RULES TO ELIGIBLE CHARITY PLANS.**—

(1) **IN GENERAL.**—Paragraph (2) of section 202(c) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 is amended to read as follows:

“(2) **ELIGIBLE CHARITY PLANS.**—The amendments made by subsection (b) shall apply to plan years beginning after December 31, 2010, except that a plan sponsor may elect to apply such amendments to plan years beginning after an earlier date.”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall take effect as if included in the amendment made by the provision of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 to which the amendment relates.

SEC. 703. SUSPENSION OF CERTAIN FUNDING LEVEL LIMITATIONS.

(a) **LIMITATIONS ON BENEFIT ACCRUALS.**—Section 203 of the Worker, Retiree, and Employer Recovery Act of 2008 (Public Law 110-458; 122 Stat. 5118) is amended—

(1) by striking “the first plan year beginning during the period beginning on October 1, 2008, and ending on September 30, 2009” and inserting “any plan year beginning during the period beginning on October 1, 2008, and ending on December 31, 2011”; and

(2) by striking “substituting” and all that follows through “for such plan year” and inserting “substituting for such percentage the plan’s adjusted funding target attainment percentage for the last plan year ending before September 30, 2009,”; and

(3) by striking “for the preceding plan year is greater” and inserting “for such last plan year is greater”.

(b) **SOCIAL SECURITY LEVEL-INCOME OPTIONS.**—

(1) **ERISA AMENDMENT.**—Section 206(g)(3)(E) of the Employee Retirement Income Security Act of 1974 is amended by adding at the end the following new sentence: